

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

ALERIS ALUMINUM CANADA L.P.,

Plaintiff/Counter-Defendant,

Case No. 09-cv-10490

vs.

Honorable Patrick J. Duggan

VALEO, INC.,

Defendant/Counter-Plaintiff.

**Order Granting Valeo, Inc.'s Motion to Strike Aleris Aluminum Canada L.P.'s
Affirmative Defense No. 14 Regarding Aleris's Canadian Bankruptcy Case**

THIS MATTER having been heard on Valeo's Motion to Strike Aleris's Affirmative Defense No. 14 Regarding Aleris's Canadian Bankruptcy Case ("Motion to Strike"); the Court having read the briefs and heard oral arguments of the parties; and the Court having announced its ruling and the reasons therefor from the bench at a hearing held on December 3, 2009:

IT IS ORDERED that Valeo's Motion to Strike Affirmative Defense No. 14 from Aleris's Answer to Valeo's Counterclaim is GRANTED. This ruling concerns only the current pleadings and does not address whether Aleris may assert such a defense if Valeo is allowed to amend its counterclaims to add new counts.

IT IS FURTHER ORDERED that Aleris has preserved its right to argue that any amounts determined to be owed by Aleris to Valeo cannot, under applicable law, be setoff against any amounts determined to be owed by Valeo to Aleris. The Court has not ruled on the merits of this issue.

IT IS FURTHER ORDERED that if Valeo obtains a money judgment in its favor in this action and the Court does not permit Valeo to recoup or setoff the amount of such judgment against any outstanding accounts payable to Aleris, or if the amount of such judgment exceeds the amount of any outstanding accounts payable to Aleris, Aleris has preserved its right to argue that Valeo must pursue collection in Aleris' Canadian Bankruptcy proceeding. The Court has not ruled on the merits of this issue.

s/Patrick J. Duggan
Patrick J. Duggan
United States District Judge

Dated: December 11, 2009

I hereby certify that a copy of the foregoing document was served upon counsel of record on December 11, 2009, by electronic and/or ordinary mail.

s/Marilyn Orem
Case Manager

Approved as to form:

/s/ Daniel W. Linna Jr.
Daniel W. Linna Jr. (P68863)
HONIGMAN MILLER SCHWARTZ AND COHN LLP
Attorneys for Defendant
2290 First National Building
660 Woodward Avenue
Detroit, Michigan 48226
313-465-7500
dlinna@honigman.com

/s/ Sarah C. Lindsey (w/ permission)
Sarah C. Lindsey (P68544)
WARNER NORCROSS & JUDD LLP
Attorneys for Plaintiff
2000 Town Center, Suite 2700
Southfield, Michigan 48075
248-784-5147
slindsey@wnj.com

DETROIT.3982412